

News Release

U.S. General Services Administration

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GSA TO DOUBLE MINIMUM REVENUE GUARANTEE THRESHOLD UNDER ENTERPRISE COMPONENT OF NETWORX PROGRAM

WASHINGTON, D.C. – The U.S. General Services Administration (GSA) announced today a change in the draft Networx program business strategy, an increase in the Minimum Revenue Guarantee (MRG) for the Enterprise component of the acquisition from \$25 million to \$50 million. This \$50 million total will be equally divided among Enterprise awardees.

GSA's Federal Technology Service (FTS) posted the draft Request for Proposals (RFP) for the Enterprise and Universal acquisitions in October 2004, seeking comment from industry, with responses due back in December 2004. The increase in the Enterprise acquisition MRGs is in response to comments received by industry.

"We have worked diligently to ensure that stakeholders such as our agency customers, industry, Congress, and the Office of Management and Budget have had an opportunity to learn about, and provide feedback on, our strategy as we have developed it," said FTS Assistant Commissioner for Service Development and Delivery, John C. Johnson. He added, "We are confident that doubling the Enterprise MRGs from \$25 million to \$50 million will promote greater competition among our industry partners, resulting in lower prices and better service for our customers."

The final Networx Enterprise and Universal RFPs are scheduled to be issued in April 2005.

The Networx program will provide comprehensive, best value telecommunications and networking services and technical solutions to all federal agency customers. The program will serve as the primary replacement for the expiring FTS2001 and FTS2001 Crossover contracts and Federal Wireless contracts. The Networx program consists of two simultaneous acquisitions: FTS Networx Universal and FTS Networx Enterprise. Networx Universal service providers will be required to provide service to all government locations currently served under existing programs, as well as all commercial locations served by the offeror. Networx Enterprise offerors must bid a core set of Internet Protocol or wireless services to a specified geographic profile.

GSA is a centralized, federal procurement, property management and policy agency, created by Congress to improve government efficiency and help federal agencies better serve the public. GSA acquires, on behalf of federal agencies, office space, equipment, telecommunications, information technology, supplies and services. It also plays a key role in developing and implementing government-wide policies. GSA's 13,000 associates provide services and solutions for the office operations of more than one million federal workers in more than 8.000 buildings the government owns and leases in 2.000 U.S. communities.

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